

acquisition of waste and barren land and if necessary single crop land could be considered. If perforce a portion of double cropped agricultural land has to be acquired to meet the minimum area requirements especially for multi-product SEZs, the same should not exceed 10% of the total land required for the SEZs.

### **Concessions for Special Economic Zones**

**1495. MISS MABEL REBELLO:** Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

- (a) the details of concessions proposed to be granted for the SEZs by the Centre and the States and the likely revenue implications of these concessions for the Centre and the States, Zone-wise;
- (b) the price at which the land is being allotted to the promoters and the price at which the land is proposed to be sold by the promoters, Zone-wise; and
- (c) the likely number of people to be displaced and the compensation to be paid to each person displaced, Zone-wise?

**THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY (SHRI JAIRAM RAMESH):** (a) The concessions offered to the units in Special Economic Zones (SEZs) include duty free import/domestic procurement of goods for development, operation and maintenance, 100% Income Tax exemption on export income under Section 10AAA of the Income Tax Act for first 5 years, 50% for next 5 years thereafter & 50% of the ploughed back export profit for next 5 years, exemption from minimum alternate tax under section 115JB of the Income Tax Act, external commercial borrowing by SEZ units up to US \$ 500 million in a year without any maturity restriction through recognized banking channels, exemption from Central Sales Tax, exemption from Service Tax, exemption from State sales tax and other levies as extended by the respective State Governments. The major incentives and facilities available to SEZ developers include exemption from customs/excise duties for development of SEZs for authorized operations approved by the Board of Approvals, Income Tax exemption on export income for a block of 10 years in 15 years under Section 80-IAB of the Income Tax Act, exemption from minimum alternate

tax under Section 115JB of the Income Tax Act, exemption from divident distribution tax under Section 115Q of the Income Tax Act, exemption from Central Sales Tax and exemption from Service Tax (Section 7, 26 and Second Schedule of the SEZ Act). The revenue implications of these tax concessions being dependant on the investments, quantum of duty free construction material, raw materials and likely export profits and, therefore, cannot be estimated.

(b) and (c) As per the provisions of the SEZ Act, 2005 and SEZ Rules 2006 land in the SEZ cannot be sold by the developer. Land being a State subject, the price for the land allotted by the State Governments to the promoters, compensation payable for the acquired land and rehabilitation of the displaced persons are decided by the State Governments as per their respective policies. The number of people likely to be displaced cannot be estimated.

#### **Promoters for SEZs**

**1496. MISS MABLE REBELLO:** Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

- (a) the names of Special Economic Zones and the area of land over which each Zone is to be set up;
- (b) the promoter selected for each Special Economic Zone; and
- (c) the investment by the promoter and the likely total investment in each of these Zones, Zone-wise?

**THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY (SHRI JAIRAM RAMESH):** (a) to (c) The information is being collected and will be laid on the Table of the House.

#### **Hurdles faced by exporters**

**1497. SHRI C. PERUMAL:** Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

- (a) whether it is proposed to set up an inter-Ministerial committee to clear hurdles faced by exporters;